

Missouri Freight Transportation

Economy on the Move

Parcel and Courier Freight



Parcel and Courier Industry

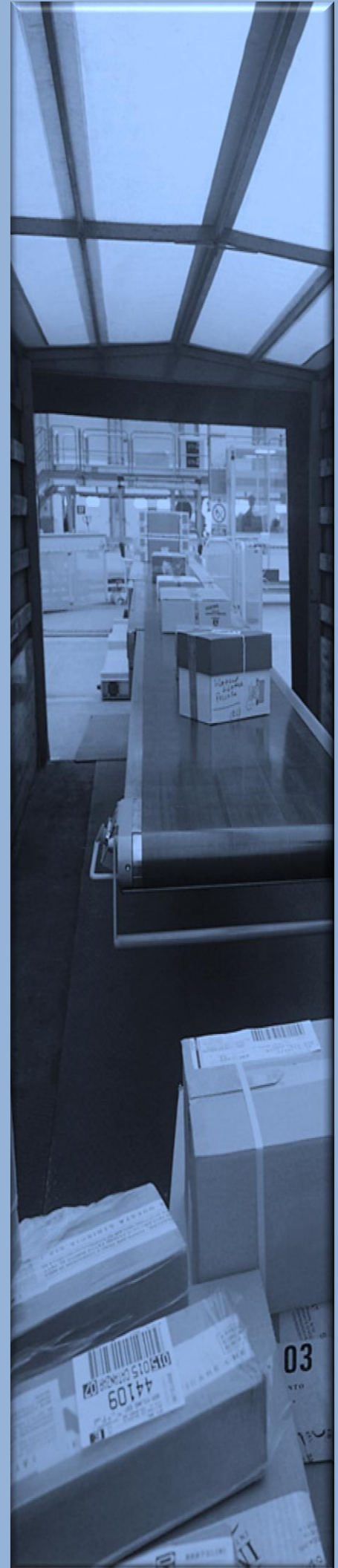
The parcel and courier industry makes up the largest portion of our lighter weight freight delivery. Missouri is home to 2 Federal Express hubs, 2 UPS hubs, and nearly 1,100 U.S. Postal Service facilities throughout the state including an air mail facility, a bulk mail center, and a mail bag facility. The parcel and courier industry currently employs 25,732 workers; 17,052 in U.S. Postal Service positions and 8,680 in courier positions.

An Economic Driver

The parcel and courier industry employment has a large impact on Missouri's economy generating an estimated \$3.3 billion annually in Gross State Product, \$1.7 billion in personal income and \$111 million in new net Missouri general revenues. The more than 35,700 direct workers generate an estimated 21,900 indirect and induced spin-off jobs annually in Missouri through purchases of industry intermediate inputs and employee consumer spending.

Commodity Flows

Shipment values and tonnage for all modes combined increased in Missouri by roughly 20% over the five years surveyed. Parcel and courier shipments accounted for nearly 14% of the total value. Over \$31.1 billion in Missouri commodities are shipped by parcel and courier modes. Pharmaceuticals and miscellaneous manufactured products make up nearly 32% of the total value of Missouri commodities shipped by parcel mode. Over \$19.5 billion in commodities are imported by parcel and courier modes to Missouri. Electronics and miscellaneous manufacturing constitute nearly a third of Missouri imports by parcel and courier mode.

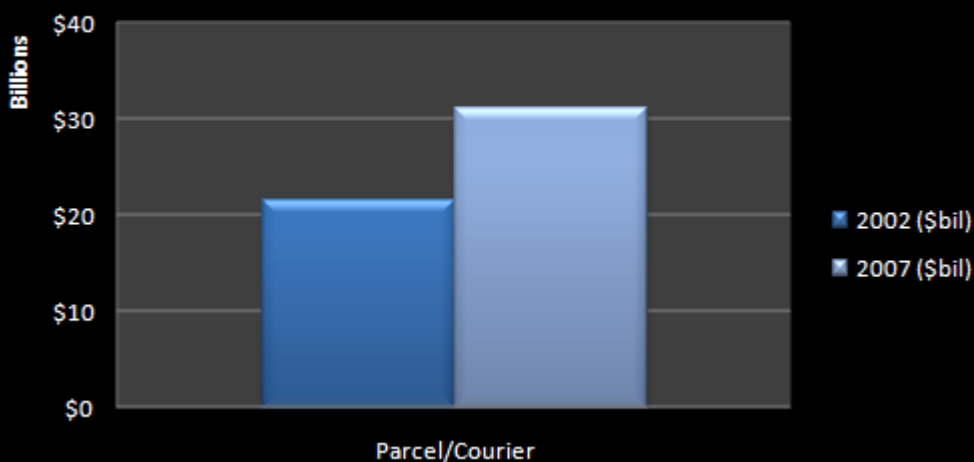


Trends in Parcel and Courier Shipments 2002-2007

Shipment values and tonnage for all modes combined increased in Missouri by roughly 20% over the five years surveyed. Missouri companies shipped nearly \$226 billion and 305 million tons of commodities throughout the U.S. Parcel and courier shipments accounted for nearly 14% of the value and less than 1% of the tonnage or \$31.1 billion and 933 thousand tons.

The Commodity Flow Survey combines parcel, courier, and U.S. Postal Service shipments into one category. The most recent survey reports a significant increase in parcel and courier shipping values (44%) and a small reduction in tonnage (-10%). Pharmaceutical products increased by nearly \$4 billion in annual shipments over the past five years. Other substantial dollar gains were found in miscellaneous manufacturing products, mixed freight, precision instruments, machinery, furniture, and chemicals. Shipments declined in printed products, textiles, electronics, motorized vehicles/parts, and articles of base metal.

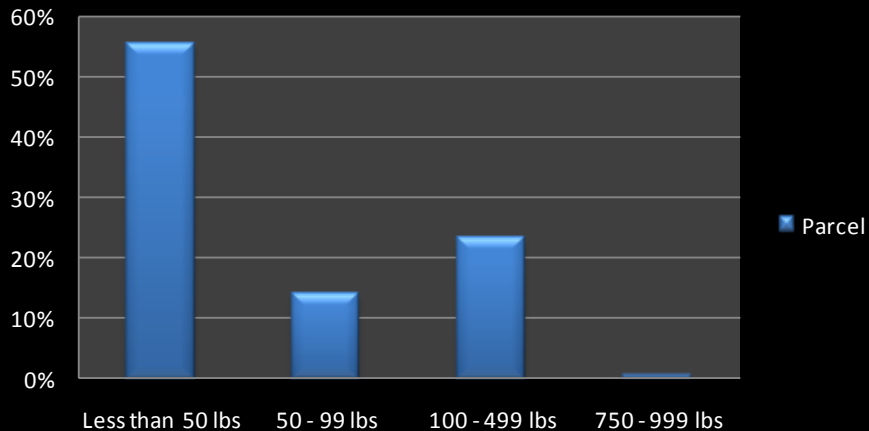
MO Parcel Freight Shipment Value 2002-2007



Shipment Weights

The distribution of shipment weight by parcel mode primarily falls into four categories. The less than 50 thousand lbs group represents about 56% of total parcel value and 37% of the total tonnage.

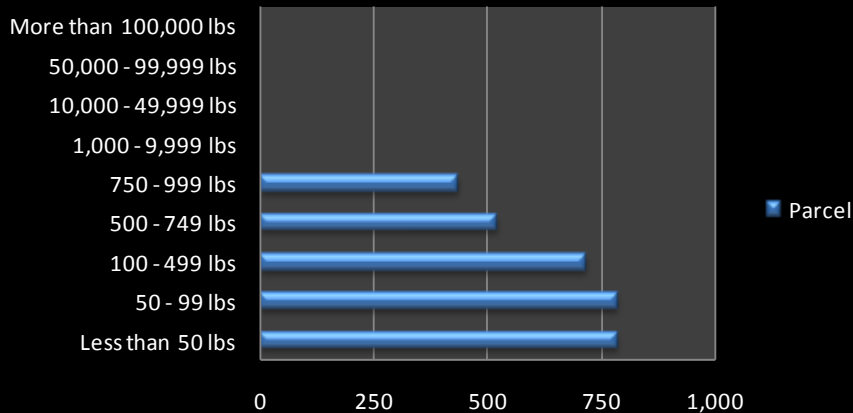
Distribution of Value by Shipment Weight



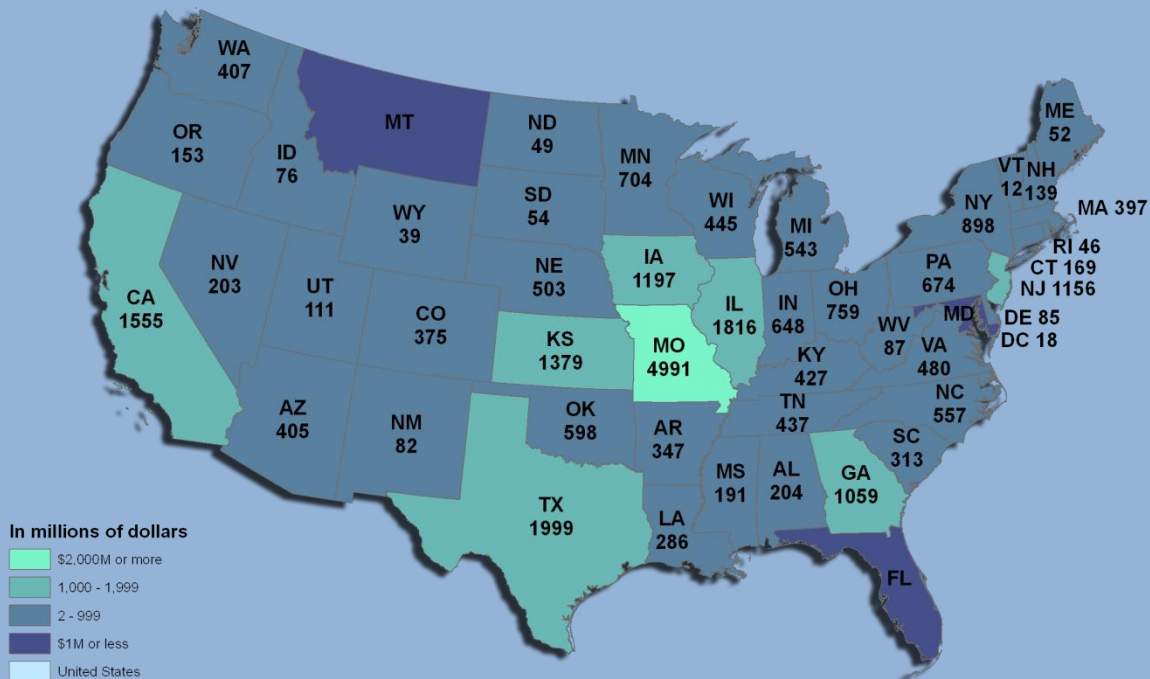
Shipment Distance

Missouri parcel shipments average 784 miles to destination. The heavier the shipment the fewer the average miles traveled. The heaviest shipments average 434 miles to destination.

Distance of Parcel Shipments by Weight



Missouri's Parcel Shipments to States (\$M)



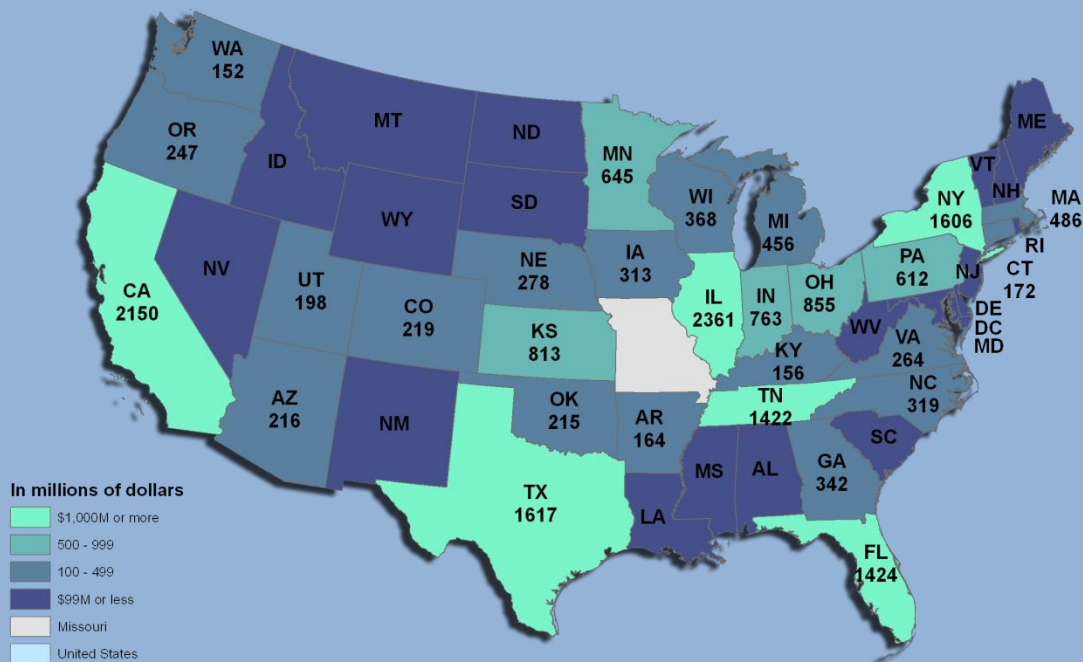
Missouri's higher value parcel shipments are distributed mainly in the central region and the coastal states of Texas, California, New Jersey, and Georgia. Shipments within Missouri account for over 16% of the total value.

Destination	Value(\$mil)
Missouri	4,991
Texas	1,999
Illinois	1,816
California	1,555
Kansas	1,379
Iowa	1,197
New Jersey	1,156
Georgia	1,059
New York	898
Ohio	759





Missouri's Parcel Imports from States (\$M)

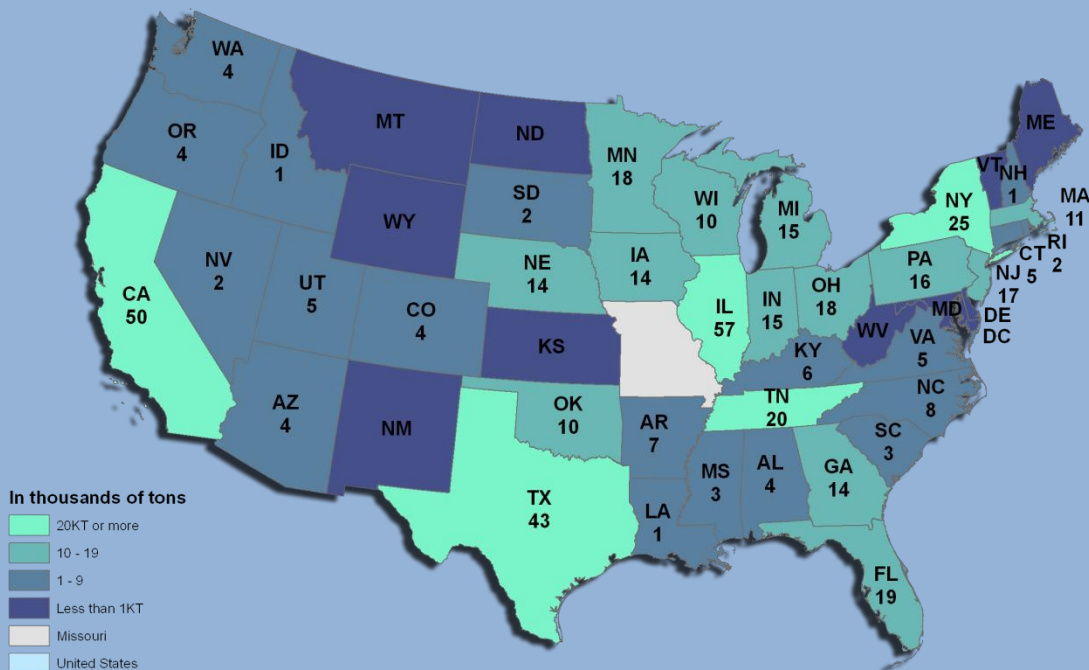


Missouri receives the highest dollar value of parcel shipments from the central states and populous coastal states of the U.S. Illinois and Tennessee comprise over 19% of total imports to Missouri. Coastal states of California, Texas, New York, and Florida deliver nearly 35% of total imports to Missouri.

Origin	Value(\$mil)
Illinois	2,361
California	2,150
Texas	1,617
New York	1,606
Florida	1,424
Tennessee	1,422
Ohio	855
Kansas	813
Indiana	763
Minnesota	645



Missouri's Parcel Imports from States (Kilotons)



Missouri receives the highest tonnage of commodities by parcel mode from the central part of the U.S. and populous coastal states. Illinois and Tennessee ship over 16% of the total tonnage to Missouri. Coastal states of California, Texas, and New York make up nearly 26% of total tons shipped by parcel mode to Missouri.

Origin	Tons (thous)
Illinois	57
California	50
Texas	43
New York	25
Tennessee	20
Florida	19
Ohio	18
Minnesota	18
New Jersey	17
Pennsylvania	16

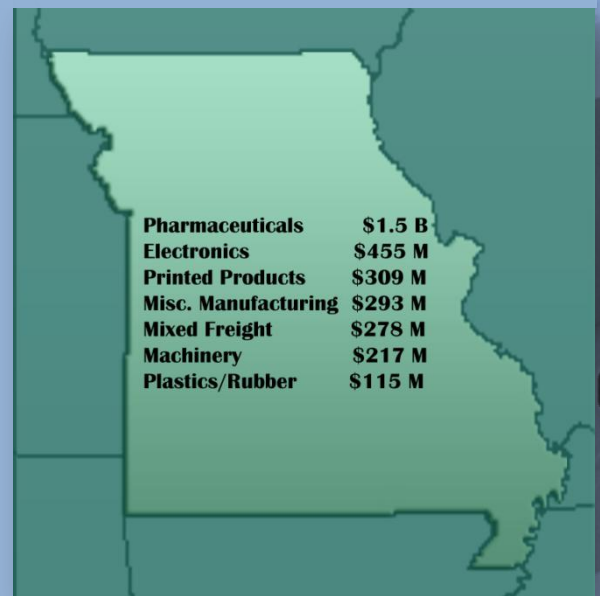


Missouri's Top Parcel Commodity Shipments to States



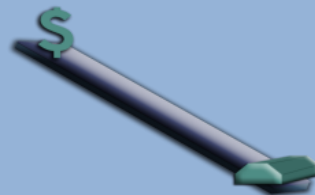
Over \$31.1 billion in Missouri commodities are shipped by parcel and courier modes. Higher value shipments average 721 miles to destination while higher tonnage shipments average 639 miles. Pharmaceuticals and miscellaneous manufactured products make up nearly 32% of the total value of Missouri commodities shipped by parcel mode. These high dollar commodities predominantly move to the surrounding states and populous coastal states. Printed products and miscellaneous manufactured goods make up 35% of the total tonnage shipped from Missouri.

Parcel Shipments within Missouri



Top Missouri Commodities Shipped to States

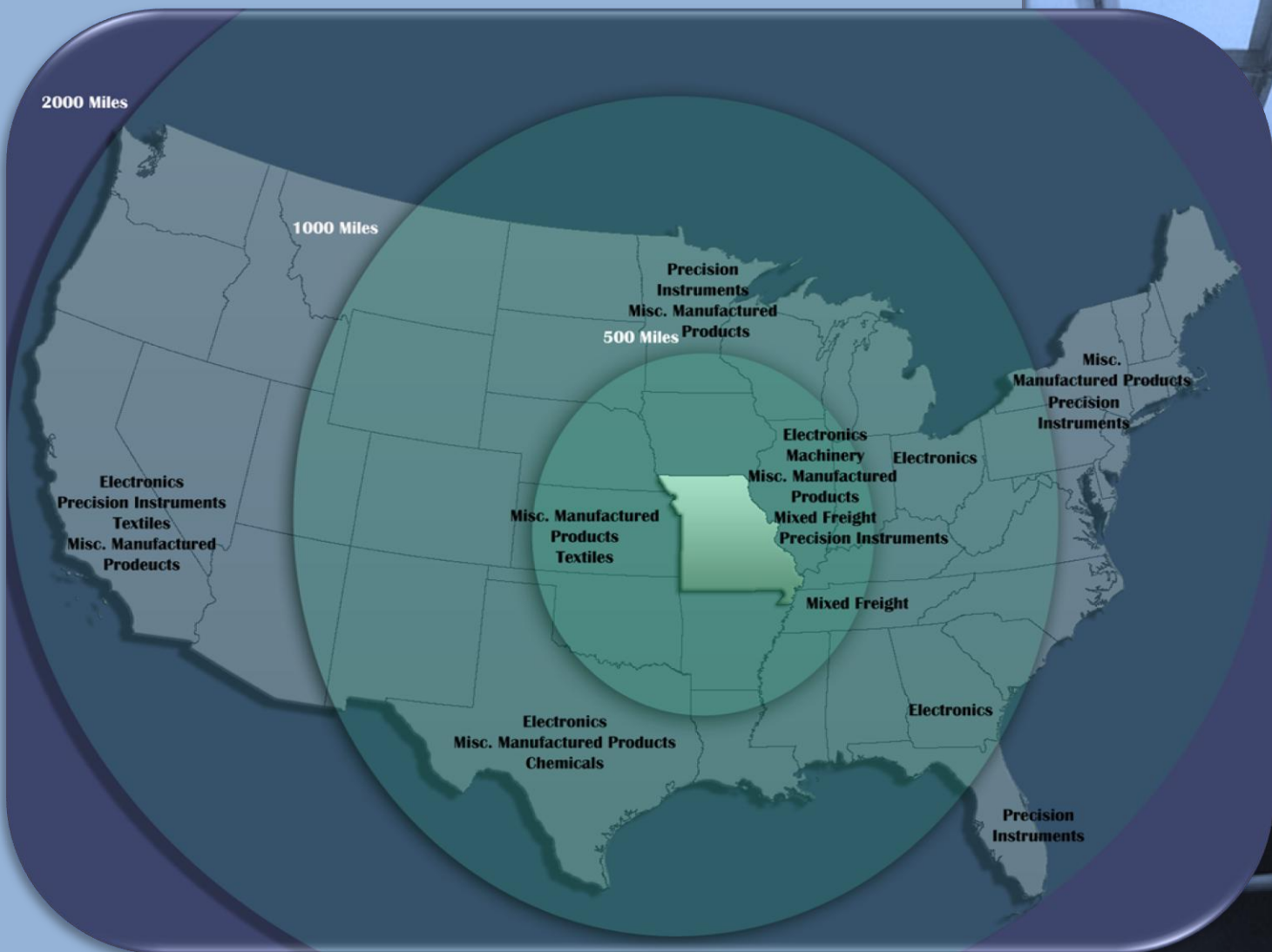
MO Commodities	Value(\$mil)
Pharmaceutical products	6,242
Miscellaneous manufactured products	3,767
Printed products	3,267
Electronic & other electrical equipment	3,144
Mixed freight	1,906
Machinery	1,204



MO Commodities	Tons (thous)
Printed products	174
Miscellaneous manufactured products	152
Mixed freight	94
Electronic & other electrical equipment	58
Articles of base metal	55
Paper or paperboard articles	51



Missouri's Top Parcel Commodity Imports from States

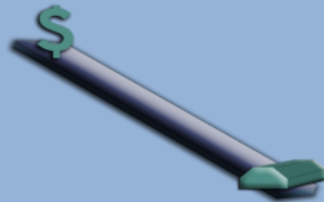


Over \$19.5 billion in commodities are imported by parcel and courier modes to Missouri. Higher value shipments average 1,155 miles to destination while higher tonnage shipments average 1,040 miles. Electronics and miscellaneous manufactured products represent 27% of total commodities imported and 21% of the tonnage shipped. Illinois and California constitute nearly half of the electronics imported into Missouri. New York, Illinois, and California make up nearly half of the miscellaneous manufactured products travelling to the state.



Top Missouri Commodities Imported from States

MO Imported Commodities	Value(\$mil)
Electronic & other electrical equipment	2,994
Miscellaneous manufactured products	2,275
Precision instruments and apparatus	1,537
Textiles and leather	1,110
Machinery	778
Articles of base metal	384
Printed products	327
Pharmaceutical products	289



MO Imported Commodities	Tons (thous)
Miscellaneous manufactured products	51
Electronic & other electrical equipment	43
Textiles and leather	30
Printed products	15
Articles of base metal	14
Plastics and rubber	14
Machinery	11
Precision instruments and apparatus	9



Sources

U.S. Census, American Fact Finder Commodity Flow Survey
Regional Economic Models Incorporated
TREDIS Transportation Modeling
U.S. Postal Service
Federal Express
United Parcel Service of America Inc.
U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Note

The recent release of the American Fact Finder *Commodity Flow Survey* by the U.S. Census describes the values, tonnage, and distance of state to state shipments. The information updates a 2002 survey and includes detailed estimates by modal activity (truck/barge/rail), commodity, and industry. Intermodal activities (ie. truck and water, truck and rail) are also estimated using this survey. While origins and destinations are cited in this report, data collection limitations measure the origin of movement and may not represent the commodity origin of production or final destination of the commodity.

Prepared by Tony Brite

